

Bill No. CS for SB 1200

Barcode 353652      Comm: RCS      04/27/2007 12:36 PM

601-2590-07

Proposed Committee Substitute by the Committee on General  
Government Appropriations

1                                    A bill to be entitled

2                    An act relating to wireless communications

3                    funds; amending s. 365.173, F.S.; redesignating

4                    the Wireless Emergency Telephone System Fund as

5                    the "Emergency Communications Number E911

6                    System Fund"; requiring that all revenues

7                    derived from a fee levied by a county on local

8                    exchange subscribers be paid into the State

9                    Treasury by a specified date and that the

10                   moneys be accounted for in a special fund;

11                   providing a methodology for the distribution of

12                   the funds; requiring counties to return money

13                   to the fund under certain circumstances;

14                   requiring a wireless provider to submit sworn

15                   invoices in order to support claims for

16                   reimbursement of allowable costs; requiring

17                   that funds in the E911 system fund on a

18                   specified date be returned to wireless

19                   providers for costs incurred before a specified

20                   date; providing procedures for reimbursement;

21                   requiring the Auditor General to annually audit

22                   the fund; providing an effective date.

23

24 Be It Enacted by the Legislature of the State of Florida:

25

26                    Section 1.    Section 365.173, Florida Statutes, is

27 amended to read:

28                    365.173    ~~Wireless~~ Emergency Communications Number E911

29 ~~Telephone~~ System Fund.--

30                    (1)    All revenues derived from the ~~E911~~ fee levied on

31 subscribers under s. 365.172 must be paid by the board into

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the State Treasury on or before the 15th day of each month.

Such moneys must be accounted for in a special fund to be designated as the ~~Wireless~~ Emergency Communications Number E911 Telephone System Fund, a fund created in the ~~State~~ Technology Program, or other office as designated by the Secretary of Management Services, and, for accounting purposes, must be segregated into two separate categories:

(a) The wireless category; and

(b) The nonwireless category. ~~Office and~~

All moneys must be invested by the Chief Financial Officer pursuant to s. 17.61. All moneys in such fund are to be expended by the ~~State Technology~~ office for the purposes provided in this section and s. 365.172. These funds are not subject to s. 215.20.

(2) As determined by the board pursuant to s. 365.172(8)(h), and subject to any modifications approved by the board pursuant to s. 365.172(6)(a)3. or (8)(i) ~~(8)(c)~~, the moneys in the fund shall be distributed and used only as follows:

(a) Sixty-seven ~~Forty-four~~ percent of the moneys in the wireless category shall be distributed each month to counties, based on the total number of service identifiers ~~wireless subscriber billing addresses~~ in each county, and shall be used exclusively for payment of:

1. Authorized expenditures ~~Recurring costs of providing 911 or E911 service,~~ as specified in s. 365.172(9) ~~provided by s. 365.171(13)(a)6.~~

2. Costs to comply with the requirements for E911 service contained in the order and any future rules related to the order.

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1        (b) Ninety-seven percent of the moneys in the  
2 nonwireless category shall be distributed each month to  
3 counties based on the total number of service identifiers in  
4 each county, and shall be used exclusively for payment of  
5 authorized expenditures, as specified in s. 365.172(9).

6  
7 Any county that receives funds under paragraphs (a) and (b)  
8 ~~this paragraph~~ shall establish a fund to be used exclusively  
9 for the receipt and expenditure of the revenues collected  
10 under paragraphs (a) and (b) ~~this paragraph~~. All fees placed  
11 in the fund and any interest accrued shall be used solely for  
12 costs described in subparagraphs 1. and 2. The money collected  
13 and interest earned in this fund shall be appropriated for  
14 these purposes by the county commissioners and incorporated  
15 into the annual county budget. The fund shall be included  
16 within the financial audit performed in accordance with s.  
17 218.39. A county may carry forward up to 20 ~~30~~ percent of the  
18 total funds disbursed to the county by the board during a  
19 calendar year for expenditures for capital outlay, capital  
20 improvements, or equipment replacement, if such expenditures  
21 are made for the purposes specified in subparagraphs(a) 1. and  
22 2.; however, the 20-percent limitation does not apply to funds  
23 disbursed to a county under s. 365.172(6)(a)3., and a county  
24 may carry forward any percentage of the funds, except that any  
25 grant provided shall continue to be subject to any condition  
26 imposed by the board ~~this paragraph~~. In order to prevent an  
27 excess recovery of costs incurred in providing E911 service, a  
28 county that receives funds greater than the permissible E911  
29 costs described in s.365.172(9), including the 20 percent  
30 carryforward allowance, must return the excess funds to the  
31 E911 board to be allocated under s. 365.172(6)(a).

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1        ~~(c)(b)~~ Thirty ~~Fifty-four~~ percent of the moneys in the  
2 wireless category shall be distributed to wireless providers  
3 in response to sworn invoices submitted to the board by  
4 wireless providers to reimburse such wireless providers for  
5 the actual costs incurred to provide 911 or E911 service,  
6 including the costs of complying with the order. Such costs  
7 include costs and expenses incurred by wireless providers to  
8 design, purchase, lease, program, install, test, upgrade,  
9 operate, and maintain all necessary data, hardware, and  
10 software required to provide E911 service. ~~Up to 2 percent of~~  
11 ~~the funds allocated to providers shall be retained by the~~  
12 ~~board to be applied to costs and expenses incurred for the~~  
13 ~~purposes of managing, administering, and overseeing the~~  
14 ~~receipts and disbursements from the fund and other activities~~  
15 ~~as defined in s. 365.172(6). Any funds retained for such~~  
16 ~~purposes in a calendar year which are not applied to such~~  
17 ~~costs and expenses by March 31 of the following year shall be~~  
18 ~~distributed to providers pursuant to this paragraph. Each~~  
19 wireless provider shall submit to the board, by August 1 of  
20 each year, a detailed estimate of the capital and operating  
21 expenses for which it anticipates that it will seek  
22 reimbursement under this paragraph during the ensuing state  
23 fiscal year. In order to be eligible for recovery during any  
24 ensuing state fiscal year, a wireless provider must submit all  
25 sworn invoices for allowable purchases made within the  
26 previous calendar year no later than March 31 of the fiscal  
27 year. By September 15 of each year, the board shall submit to  
28 the Legislature its legislative budget request for funds to be  
29 allocated to wireless providers under this paragraph during  
30 the ensuing state fiscal year. The budget request shall be  
31 based on the information submitted by the wireless providers

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1 and estimated surcharge revenues. Distributions of moneys in  
2 the fund by the board to wireless providers must be fair and  
3 nondiscriminatory. If the total amount of moneys requested by  
4 wireless providers pursuant to invoices submitted to the board  
5 and approved for payment exceeds the amount in the fund in any  
6 month, wireless providers that have invoices approved for  
7 payment shall receive a pro rata share of moneys in the fund  
8 and the balance of the payments shall be carried over to the  
9 following month or months until all of the approved payments  
10 are made. The board may adopt rules necessary to address the  
11 manner in which pro rata distributions are made when the total  
12 amount of funds requested by wireless providers pursuant to  
13 invoices submitted to the board exceeds the total amount of  
14 moneys on deposit in the fund.

15 (d) Notwithstanding paragraphs (a) and (c), the amount  
16 of money that remained in the wireless 911 system fund on  
17 December 31, 2006, must be disbursed to wireless providers for  
18 the recovery of allowable costs incurred in previous years  
19 ending December 31, 2006, and in accordance with paragraph  
20 (c). In order to be eligible for recovered costs incurred  
21 under paragraph (c), a wireless provider must submit sworn  
22 invoices to the board by December 31, 2007. The board must  
23 disburse the designated funds in the wireless 911 system fund  
24 on or after January 1, 2008.

25 (e) One percent of the moneys in the fund shall be  
26 retained by the board to be applied to costs and expenses  
27 incurred for the purposes of managing, administering, and  
28 overseeing the receipts and disbursements from the fund and  
29 other activities as defined in s. 365.172(6). Any funds  
30 retained for such purposes in a calendar year which are not  
31 applied to such costs and expenses by March 31 of the

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1 following year shall be redistributed as determined by the  
2 board.

3 (f)(e) Two percent of the moneys in the fund shall be  
4 used to make monthly distributions to rural counties for the  
5 purpose of providing facilities and network and service  
6 enhancements and assistance for the 911 or E911 systems  
7 operated by rural counties and for the provision of  
8 ~~reimbursable loans and~~ grants by the office to rural counties  
9 for upgrading and replacing E911 ~~911~~ systems.

10 (g) By September 1, 2007, up to \$15 million of the  
11 existing 911 system fund shall be available for distribution  
12 by the board to the counties in order to prevent a loss in the  
13 ordinary and expected time value of money caused by any timing  
14 delay in remittance to the counties of wireline fees caused by  
15 the one-time transfer of collecting wireline fees by the  
16 counties to the board. All disbursements for this purpose must  
17 be returned to the fund from the future remittance by the  
18 nonwireless category.

19 (h) If the wireless category has funds remaining in it  
20 on December 31 after disbursements have been made during the  
21 calendar year immediately prior to December 31, the board may  
22 disburse the excess funds in the wireless category in  
23 accordance with s. 365.172(6)(a)3.b.

24  
25 The Legislature recognizes that the ~~wireless E911~~ fee  
26 authorized under s. 365.172 may ~~will~~ not necessarily provide  
27 the total funding required for establishing or providing the  
28 E911 ~~911~~ service. It is the intent of the Legislature that all  
29 revenue from the fee be used as specified in this subsection  
30 ~~s. 365.171(13)(a)6.~~

31 (3) ~~Through fiscal year 2008-2009,~~ The Auditor General

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1 shall annually audit the fund to ensure that moneys in the  
2 fund are being managed in accordance with this section and s.  
3 365.172. The Auditor General shall provide a report of the  
4 annual audit to the board.

5       Section 2. This act shall take effect upon becoming a  
6 law.

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